

CITY OF PAOLA

Paola, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2019

CITY OF PAOLA, KANSAS

TABLE OF CONTENTS Year ended December 31, 2019

	<u>Statements</u>	<u>Page</u>
Independent Auditor's Report		1
Financial Statement		
Summary Statement of Receipts, Expenditures and Unencumbered Cash	1	3
Notes to Financial Statement		7
Supplementary Information	<u>Schedule</u>	
Summary of Expenditures -- Actual and Budget	1	17
Schedule of Receipts and Expenditures -- Actual and Budget		
General Fund	2a	18
Library Fund	2b	25
Employee Benefit Fund	2c	27
Family Aquatics Center	2d	28
Community Center Fund	2e	30
Storm Water Management	2f	32
Special Parks and Recreation Fund	2g	33
Street Repair -- Special Highway Fund	2h	34
Special Law Enforcement Account	2i	35
Transient Guest Tax	2j	36
Family Aquatics Center Equipment Reserve	2k	37
Escrow Fund	2l	38
Mennenoah Cemetery	2m	39
Special Grants Fund	2n	40
Drug Enforcement Account	2o	41
Bond & Interest	2p	42
Waste Water Treatment Plant Construction	2q	43
Equipment Replacement	2r	44
Capital Projects	2s	45
Water Utility Fund	2t	46
Water Treatment Plant Fund	2u	49
Sewer Service Fund	2v	50
Sewer Line Replacement	2w	53
Wastewater Treatment Plant	2x	54
Health and Sanitation Fund	2y	55
Summary of Receipts and Disbursements - Agency Funds	3	56

City Commissioners
City of Paola, Kansas
Paola, Kansas

Report on the Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Paola, Kansas, as of and for the year ended December 31, 2019 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the City of Paola, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of City of Paola, Kansas as of December 31, 2019, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Paola, Kansas as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of Valley Falls as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated April 1, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statements and accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/oar/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note C.



Harold K Mayes Jr. CPA
Agler & Gaeddert, Chartered
Ottawa, Ks
April 30, 2020

City of Paola, Kansas

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2019**

	Beginning Unencumbered Cash Balances	Receipts
General Fund	\$ 764,236	\$ 4,197,277
Special Purpose Funds		
Library	55,850	311,063
Employee Benefit	704,761	1,268,935
Family Aquatics Center	48,174	240,749
Community Center	35,447	113,835
Storm Water Management	128,542	87,110
Special Park and Recreation	58,875	17,257
Street Repair/Special Highway	53,575	155,381
Special Law Enforcement Account	5,691	1,151
Transient Guest Tax	71,429	42,362
Family Aquatics Center Equipment Reserve	358,673	3,946
Escrow Proceeds	3,246	0
Mennenoah Cemetery	9,228	84
Special Grants Fund	22,650	54,077
Drug Enforcement Account	236	1,727
	<u>1,556,377</u>	<u>2,295,950</u>
Debt Service Funds		
Bond and Interest	<u>508,259</u>	<u>1,465,402</u>
Capital Projects Funds		
Waste Water Treatment Plant Construction	753,825	10,817
Equipment Replacement	72,008	208,101
Capital Projects Fund	<u>824,987</u>	<u>1,356,552</u>
	<u>1,650,820</u>	<u>1,575,470</u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balances</u>
\$ 4,196,300 \$	765,213 \$	88,978 \$	854,191
302,203	64,710	6,158	70,868
1,270,196	703,500	50,039	753,539
243,491	45,432	2,003	47,435
125,106	24,176	2,785	26,961
78,615	137,037	130	137,167
16,954	59,178	0	59,178
135,341	73,615	174	73,789
1,000	5,842	0	5,842
40,704	73,087	0	73,087
175,000	187,619	0	187,619
0	3,246	0	3,246
5,571	3,741	0	3,741
45,966	30,761	1,360	32,121
180	1,783	0	1,783
<u>2,440,147</u>	<u>1,411,944</u>	<u>62,649</u>	<u>1,476,376</u>
<u>1,396,761</u>	<u>576,900</u>	<u>0</u>	<u>576,900</u>
57,595	707,047	0	707,047
224,242	55,867	0	55,867
<u>1,323,523</u>	<u>858,016</u>	<u>5,237</u>	<u>863,253</u>
<u>1,605,360</u>	<u>1,620,930</u>	<u>5,237</u>	<u>1,626,167</u>

The accompanying notes are an integral part of this statement.

City of Paola, Kansas

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2019**

	<u>Beginning Unencumbered Cash Balances</u>	<u>Receipts</u>
Business Funds		
Water Utility		
Operating	\$ 151,722	\$ 1,910,585
Water Treatment Plant	274,227	3,994
Sewer Service		
Operating	260,259	800,426
Sewer Line Replacement	199,922	9,953
Wastewater Treatment Plant	190,083	518,827
Health and Sanitation	<u>30,131</u>	<u>384,039</u>
	<u>1,106,344</u>	<u>3,627,824</u>
	\$ <u><u>5,586,036</u></u>	\$ <u><u>13,161,923</u></u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balances</u>
\$ 1,886,232	\$ 176,075	\$ 8,400	\$ 184,475
0	278,221	0	278,221
851,735	208,950	15,458	224,408
0	209,875	0	209,875
586,808	122,102	2,914	125,016
<u>382,626</u>	<u>31,544</u>	<u>29,874</u>	<u>61,418</u>
3,707,401	1,026,767	56,646	1,083,413
<u>\$ 13,345,969</u>	<u>\$ 5,401,754</u>	<u>\$ 213,510</u>	<u>\$ 5,617,047</u>
Cash balance consisting of			
Balance on deposit			
Checking, money market accounts & petty cash		\$	1,365,264
Certificates of deposit			4,250,000
Payroll withholding			7,834
Police bond			15,493
Police account			<u>1,783</u>
Total cash			5,640,374
Agency Funds Per Schedule 3			<u>(23,327)</u>
Total cash (excluding agency funds)		\$	<u>5,617,047</u>

The accompanying notes are an integral part of this statement.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Paola is a municipal corporation governed by a mayor/council/manager form of government. These financial statements present the government and its related municipal entities, entities for which the government is considered to be financially accountable.

Related Municipal Entities

The Paola Free Library is governed by a board appointed by the City Council. The Library's budget and its expenditures and contractual arrangements, are approved by the City council. The Library has been included in the accompanying financial statements as a special purpose fund of the primary government.

Other Entities

The Paola Housing Authority has been omitted from the accompanying financial statements. The Paola Housing Authority Board is appointed by the City Council and oversees the operations of the Paola Housing Authority. The financial statements of the Paola Housing Authority are audited annually as of the Paola Housing Authority's fiscal year end (March 31). Those financial statements are issued separately and may be obtained from the Paola Housing Authority.

The City entered into a joint venture with the City of Louisburg for the purpose of developing a public utility to treat and disburse water to the two cities. The water treatment plant has been completed and is in operation. Both Cities provide labor, supplies and administrative costs to the operation for which both are reimbursed. Those financial statements are issued separately and may be obtained at City Hall.

The Public Building Commission activity is included in these financial records as part of the City's activity. There is no separate accounting by the Public Building Commission of its activity.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potential could have the following types of funds.

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE B. REGULATORY BASIS FUND TYPES - continued

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc). The City does not have any funds of this type.

Agency Fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, City tax collection accounts, etc.).

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Paola, Kansas has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE D. BUDGETARY INFORMATION - continued

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following special purpose funds and capital project funds:

Special Law Enforcement	Drug Enforcement Account
Family Aquatics Center Equipment	Wastewater Treatment Plant Construction
Escrow Fund	Equipment Replacement
Mennenoah Cemetery	Capital Projects
Special Grants	

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earning from these investments are allocated to designated funds.

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the City or in an adjoining City if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. The City rates investments (if any) as noted.

Concentration of credit risk - State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City has no investments other than money markets and certificates of deposit.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2019.

At December 31, 2019, the carrying amount of the City's bank deposits was \$5,617,047 (which includes petty cash funds) and the bank balance was \$5,749,180. The bank balance was held by three banks resulting in a concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$4,999,180 was collateralized with securities held by the pledging financial institution's agents in the City's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE E. CASH AND INVESTMENTS – continued

possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year end.

NOTE F. LONG-TERM DEBT

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Maturity
General obligation bonds:				
Refunding Series 2012	2.00-3.20	09/01/12	7,525,000	09/01/31
Refunding Series 2014	2.00-3.00	10/06/14	2,485,000	09/01/25
Public Building Commission				
Series 2008	3.25-4.25	09/25/08	3,660,000	05/01/21
Series 2012	2.00-2.125	11/01/12	2,055,000	11/01/21
Refunding Series 2016	2.0-3.0	01/12/16	2,185,000	11/01/26
Capital leases:				
Vac-Con Truck	2.85	12/22/16	185,000	12/22/19
Fire Truck	2.25	04/28/15	750,000	4/28/29
Ford Explorer Police Cars	3.08	01/05/17	56,500	1/5/20
Dump Truck	3.47	03/14/18	190,000	3/14/22
Copiers	0.00	01/18/18	18,300	1/18/22

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:						
Refunding Series 2012	\$ 4,985,000	\$ 0	\$ 290,000	\$ (290,000)	\$ 4,695,000	\$ 143,657
Refunding Series 2014	1,895,000	0	325,000	(325,000)	1,570,000	56,850
Public Building Commission						
Series 2008	240,000	0	75,000	(75,000)	165,000	8,404
Series 2012	675,000	0	220,000	(220,000)	455,000	13,788
Refunding Series 2016	1,555,000	0	220,000	(220,000)	1,335,000	44,062
Total bonds	<u>\$ 9,350,000</u>	<u>\$ 0</u>	<u>\$ 1,130,000</u>	<u>\$ (1,130,000)</u>	<u>\$ 8,220,000</u>	<u>\$ 266,761</u>

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
Capital leases:						
Fire Truck	\$ 569,274	\$ 0	\$ 46,617	\$ (46,617)	\$ 522,657	\$ 12,381
Vac-Con Truck	62,493	0	62,493	(62,493)	0	1,781
Ford Explorer Police Cars	38,235	0	18,828	(18,828)	19,407	1,178
Dump Truck	190,000	0	45,069	(45,069)	144,931	6,685
Copiers	14,640	0	3,660	(3,660)	10,980	0
Total for leases	<u>874,642</u>	<u>0</u>	<u>176,667</u>	<u>(176,667)</u>	<u>697,975</u>	<u>22,025</u>
Total for all debt	<u>\$ 10,224,642</u>	<u>\$ 0</u>	<u>\$ 1,306,667</u>	<u>\$ (1,306,667)</u>	<u>\$ 8,917,975</u>	<u>\$ 288,786</u>

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE F. LONG-TERM DEBT – continued

The debt limit per Kansas Statutes is limited to thirty percent of the assessed tangible valuation for exempt farm property, business aircraft and motor vehicles given by the County Appraiser to the County Clerk on June 15 each year. At December 31, 2019, the statutory limit for the City was \$15,921,440 providing a debt margin of \$9,656,440 after removing debt exempt from the limitation.

	Year				
	2020	2021	2022	2023	2024
Principal:					
Bonds	\$ 1,145,000	\$ 1,175,000	\$ 790,000	\$ 785,000	\$ 750,000
Capital Leases	<u>116,509</u>	<u>100,246</u>	<u>103,032</u>	<u>50,488</u>	<u>51,624</u>
	<u>1,261,509</u>	<u>1,275,246</u>	<u>893,032</u>	<u>835,488</u>	<u>801,624</u>
Interest:					
Bonds	235,545	203,946	172,295	149,433	128,020
Capital Leases	<u>17,480</u>	<u>14,165</u>	<u>11,379</u>	<u>8,509</u>	<u>7,373</u>
	<u>253,025</u>	<u>218,111</u>	<u>183,674</u>	<u>157,942</u>	<u>135,393</u>
Total Principal & Interest	<u>\$ 1,514,534</u>	<u>\$ 1,493,357</u>	<u>\$ 1,076,706</u>	<u>\$ 993,430</u>	<u>\$ 937,017</u>

	Year		
	2025-2029	2030-2034	Total
Principal:			
Bonds	\$ 2,615,000	\$ 960,000	\$ 8,220,000
Capital Leases	<u>276,076</u>	<u>0</u>	<u>697,975</u>
	<u>2,891,076</u>	<u>960,000</u>	<u>8,917,975</u>
Interest:			
Bonds	365,325	46,400	1,300,964
Capital Leases	<u>18,912</u>	<u>0</u>	<u>77,818</u>
	<u>384,237</u>	<u>46,400</u>	<u>1,378,782</u>
Total Principal & Interest	<u>\$ 3,275,313</u>	<u>\$ 1,006,400</u>	<u>\$ 10,296,757</u>

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE G. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Community Center	12-1118	\$ 83,000
General	Employee Benefit	12-1118	402,400
General	Capital Projects	12-1118	21,000
General	MERF	12-1118	30,000
Library	Employee Benefit	12-1118	55,000
Family Aquatics Center	Employee Benefit	12-1118	45,000
Community Center	Employee Benefit	12-1118	14,300
Storm Water Management	Employee Benefit	12-1118	11,000
Street Repair	Employee Benefit	12-1118	5,000
Family Aquatics Center Equipment Reserve	Family Aquatics Center	12-1118	175,000
Capital Projects	Bond and Interest	12-1118	581,253
Water Utility	Employee Benefit	12-1118	124,000
Sewer Service	Capital Projects	12-1118	10,000
Sewer Service	Employee Benefit	12-1118	172,500
Sewer Service	Sewer Line Replacement	12-1118	7,000
Waste Water Treatment Plant	Bond and Interest	12-825d	433,658
Waste Water Treatment Plant	Employee Benefit	12-1118	25,000
Health & Sanitation	Employee Benefit	12-1118	5,500
			<u>\$ 2,200,611</u>

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Other Post Employment Benefits:

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

The City has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Service Code. All employees of the City working 20 or more hours per week are eligible to participate in the plan beginning the first day of a pay period following coincidental with an employee's satisfaction of eligibility requirements of any Optional Benefit Plan. Each participant may elect to reduce his or her salary, subject to the limitations of the Individual Optional Benefit plans, to purchase benefits offered through the Plan. All benefits offered through the plan involve insurance coverage, dependent care reimbursements and health expense reimbursements.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS - continued

Compensated Absences:

Vacation Pay - Full-time employees are entitled to paid vacation leave time according to one of the following schedules:

- (a) Full-time employees hired prior to January 1, 1992:

The employee shall be credited with ninety-six (96) hours for each year for up to ten (10) years. Employees with more than ten (10) years of service shall be entitled to eight (8) additional hours for each year of service longer than ten (10) years.

Full-time employees hired after January 1, 1992:

Years of Continuous Employment:	0 to 5	5 to 10	10 to 15	over 15
Hours earned per bi-weekly pay period:	3.6923	4.6153	5.5384	6.4615

- (b) New employees shall be awarded vacation time beginning on the first day of the month following (30) days of employment.
- (c) Employees may accumulate vacation leave time up to the maximum of two hundred (200) hours. An employee shall not earn additional vacation leave during any time period that the employee maintains the two hundred (200) hours maximum accumulation.
- (d) Off-duty employees on a leave of absence without pay for more than seven (7) working days in any one (1) calendar month shall not be eligible for earning vacation time during such month.
- (e) Vacation schedules are established by the Department Heads. Vacation time shall be reported as prescribed by the Human Resources Director and shall be taken as follows:

Employees who work 8 hour days	Increments of four (4) hours
Employees who work 10 hour days	Increments of five (5) hours

- (f) Bonus personal time shall be rewarded to employees not using sick leave as prescribed by the following schedule:

Hours of Sick Leave Used	Personal Hours Awarded
0 – 3	24
4 – 8	16
9 – 16	8
17 or more	0

To qualify for bonus personal time, employees must have been employed by the City for the entire calendar year. Bonus personal time is awarded in the first pay period of the calendar year and must be used prior to the end of the calendar year that it is awarded or it shall be cancelled without any payment due to the employee. Bonus personal time may be taken in 1 hour increments.

- (g) Employees shall receive payment for unused vacation time upon voluntary or involuntary termination of employment. As of December 31, 2019, the unused vacation time represented a potential liability to the City in the amount of \$166,715.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS - continued

Compensated Absences: - continued

Sick Pay - Full-time employees may accumulate up to 180 days of sick leave. Twenty-five percent (25%) of unused sick leave will be paid upon termination of employment if in good standing. At December 31, 2019 City employees had accumulated 20,427 sick leave hours, representing a potential liability to the City of \$152,519 if paid upon termination. There is no accrual for vacation or sick leave in these financial statements. The City budgeted \$180,000 for expense in 2019 relating to this liability. Vacation and sick leave paid out as final benefits for year ended December 31, 2019 was \$47,441.

NOTE I. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE J. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefits pension plan as provided by K.S.A. 74-4901. et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and require supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, Ks. 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009, KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law establishes the KPERS member-employee contribution rates a 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes KP&F (Kansas Police and Fire) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the internal revenue code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for KPERS and 22.13% for KP&F for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were \$177,289 for KPERS and \$204,293 for KP&F for the year ended December 31, 2019.

Net Pension Liability: At December 31, 2019 the City's proportionate share of the collective net pension liability reported to KPERS was \$1,389,868 and \$1,633,127 for KP&F. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City's proportion of the net pension liability was based on the ration of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2019

NOTE K. OTHER POSTEMPLOYMENT BENEFITS – THRU KPERS

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2019

NOTE L. OTHER INFORMATION

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality. Management is not aware of any violations of Kansas Statutes.

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

Reimbursements: The City of Paola records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenues to the fund receiving the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursement.

Special assessments: Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the bond and interest fund.

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through April 30, 2020, the date the financial statements were available to be issued. In February 2020 the City entered into a lease purchase agreement with First Option Bank for 800MHz radio upgrades in the amount of \$123,813.

REGULATORY BASIS
SUPPLEMENTARY INFORMATION

City of Paola, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
(Budgeted Funds Only)
For the Year Ended December 31, 2019

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Fund	\$ 4,814,125	\$ 0	\$ 4,814,125	\$ 4,196,300	\$ (617,825)
Special Purpose Funds					
Library	347,479	0	347,479	302,203	(45,276)
Employee Benefit	1,917,985	0	1,917,985	1,270,196	(647,789)
Family Aquatics Center	306,373	0	306,373	243,491	(62,882)
Community Center	159,339	0	159,339	125,106	(34,233)
Storm Water Management	201,190	0	201,190	78,615	(122,575)
Special Park and Recreation	70,821	0	70,821	16,954	(53,867)
Street Repair/Special Highway	207,097	0	207,097	135,341	(71,756)
Transient Guest Tax	90,552	0	90,552	40,704	(49,848)
Debt Service Funds					
Bond and Interest	1,887,984	0	1,887,984	1,396,761	(491,223)
Business Funds					
Water Utility					
Operating	2,587,628	0	2,587,628	1,886,232	(701,396)
Water Treatment Plant	274,624	0	274,624	0	(274,624)
Sewer Service					
Operating	1,044,764	0	1,044,764	851,735	(193,029)
Sewer Line Replacement	207,420	0	207,420	0	(207,420)
Wastewater Treatment Plant	722,233	0	722,233	586,808	(135,425)
Health and Sanitation					
Operating	405,389	0	405,389	382,626	(22,763)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance Over (Under)
	2018 Actual	Actual	Budget	
Cash receipts				
Taxes				
Ad valorem property tax	\$ 1,313,427	\$ 1,387,870	\$ 1,359,000	\$ 28,870
Back tax collections	21,975	13,207	12,500	707
Motor vehicle tax	150,108	161,500	157,090	4,410
City sales tax	800,601	805,729	810,000	(4,271)
County sales tax	574,748	577,224	560,000	17,224
Sales tax	1,917	2,005	2,000	5
Mowing assessments	0	997	0	997
In lieu of taxes	21,074	21,285	20,000	1,285
Total taxes	2,883,850	2,969,817	2,920,590	49,227
Intergovernmental				
Liquor	14,276	16,496	15,223	1,273
Community fisheries program	6,489	6,489	6,400	89
Grants	0	619	0	619
Total intergovernmental	20,765	23,604	21,623	1,981
Licenses, fees and permits				
Franchise tax	501,372	455,523	455,000	523
Pet licenses	1,114	1,021	2,000	(979)
General licenses	33,725	39,226	34,000	5,226
Lake permits	39,421	48,947	38,000	10,947
Zoning/planning	850	1,291	1,500	(209)
Building permits	77,911	58,664	55,000	3,664
Total licenses, fees & permits	654,393	604,672	585,500	19,172
Charges for services				
Rural fire	74,918	88,384	87,500	884
Fines, forfeitures, penalties				
Fines and fees	200,442	217,617	225,000	(7,383)
Court costs	47,640	53,570	55,000	(1,430)
Total fines, forfeitures, penalties	248,082	271,187	280,000	(8,813)
Use of money and property				
Rentals	52,229	55,615	55,750	(135)
Cemetery	13,650	8,425	13,000	(4,575)
Vending Machine Revenue	39	0	0	0
Interest on investments	14,057	23,451	14,000	9,451
Total use of money & property	79,975	87,491	82,750	4,741

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2019			Variance Over (Under)
	2018 Actual	Actual	Budget	
Cash receipts - continued				
Other				
Reimbursed expense	\$ 84,746	\$ 132,581	\$ 138,000	\$ (5,419)
Reimbursed NSF Checks	11,895	8,839	9,000	(161)
Miscellaneous	4,715	10,702	1,500	9,202
Total other	101,356	152,122	148,500	3,622
Total cash receipts	4,063,339	4,197,277	\$ 4,126,463	\$ 70,814
Expenditures				
Administration				
Full time salaries	166,107	139,347	\$ 178,000	\$ (38,653)
Part time help	14,339	14,520	16,000	(1,480)
Overtime	102	40	100	(60)
Other personal services	2,516	2,509	2,500	9
Legal service	10,000	13,475	13,000	475
Telephone	7,835	6,681	6,500	181
Credit card transaction fees	13,367	13,940	13,000	940
Training, travel and dues	12,894	13,342	9,000	4,342
Printing	1,664	1,115	1,400	(285)
Advertising	1,160	1,548	1,000	548
Insurance	9,870	9,731	11,000	(1,269)
Utility charges	9,658	7,768	11,000	(3,232)
Other services	51,345	51,436	47,000	4,436
Civil defense sirens	3,664	4,008	5,000	(992)
Street lights	158,921	135,891	158,000	(22,109)
Chamber of commerce dues	10,000	5,000	10,000	(5,000)
General office supplies	6,203	6,384	6,000	384
Postage	3,418	4,200	4,000	200
Gifts and memorials	609	457	500	(43)
Operational supplies	2,660	2,780	3,500	(720)
Building and maintenance supplies	655	1,440	1,500	(60)
Cleaning supplies	421	269	750	(481)
Non sufficient funds checks	13,109	8,986	8,000	986
Miscellaneous	1,002	256	500	(244)
Computer equip. & software	271	572	2,000	(1,428)
Refunds	576	0	100	(100)
Sales tax	3,983	2,096	2,000	96
Total administration	506,349	447,791	511,350	(63,559)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

Expenditures - continued	2019			
	2018 Actual	Actual	Budget	Variance Over (Under)
Police department				
Full time salaries	\$ 989,290	\$ 1,048,215	\$ 1,055,000	\$ (6,785)
Part time help	11,212	11,144	17,000	(5,856)
Overtime	77,378	84,987	58,000	26,987
Holiday overtime	31,362	30,861	40,000	(9,139)
Communications equipment	1,130	1,452	2,000	(548)
Telephone	18,688	16,290	18,000	(1,710)
Training, travel and dues	12,093	17,961	18,000	(39)
Training T&D Command Staff	9,950	4,333	4,000	333
Advertising	95	285	300	(15)
Insurance	20,395	21,114	22,500	(1,386)
Lease payments	20,005	20,053	20,005	48
Animal care	11,679	11,485	18,000	(6,515)
Utilities	28,637	27,627	31,000	(3,373)
Other services	31,551	42,584	40,000	2,584
Office supplies	2,925	3,150	4,000	(850)
Postage	1,716	1,348	2,200	(852)
Operational supplies	9,964	9,338	12,000	(2,662)
DARE supplies	1,692	1,693	1,700	(7)
Vehicle maintenance	12,342	14,254	12,500	1,754
Equipment maintenance	3,377	3,645	5,000	(1,355)
Building maintenance	19,256	15,030	13,000	2,030
Cleaning supplies	2,143	1,397	2,000	(603)
Motor fuel and lubrication	25,421	26,295	32,500	(6,205)
Uniforms	7,454	7,754	8,000	(246)
Enforcement equip. & supplies	16,244	14,964	14,000	964
Non sufficient funds checks	210	0	0	0
Miscellaneous supplies	2,154	2,467	2,500	(33)
Office equipment	2,000	2,000	2,000	0
Computer equip. & software	36,930	52,371	37,700	14,671
Equipment, bldg. & grounds	68	838	1,000	(162)
Motor vehicles	8,847	10,018	30,000	(19,982)
Refunds	10	0	0	0
Total police department	1,416,218	1,504,953	1,523,905	(18,952)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

Expenditures - continued	2019			Variance Over (Under)
	2018 Actual	Actual	Budget	
Fire department				
Full time salaries	\$ 185,043	\$ 211,415	\$ 175,000	\$ 36,415
Part time help	4,734	4,626	4,900	(274)
Telephone	3,204	2,982	2,300	682
Travel, dues and tags	13,653	7,090	8,000	(910)
Insurance	14,797	13,975	16,000	(2,025)
Utilities	20,583	18,066	19,000	(934)
Other contractual	10,157	13,440	15,000	(1,560)
General office supplies	547	393	1,200	(807)
Postage	97	136	250	(114)
Gifts/memorials	0	942	500	442
Operational supplies	16,955	15,116	18,000	(2,884)
Vehicle maintenance	4,456	2,675	6,000	(3,325)
Equipment maintenance	2,179	3,634	6,000	(2,366)
Comm. equip. & maint.	4,554	9,264	6,000	3,264
Building maintenance	16,794	14,622	13,000	1,622
Cleaning supplies	939	1,330	1,000	330
Motor fuel and lubrication	1,906	1,410	3,000	(1,590)
Rural fuel	2,444	1,092	3,750	(2,658)
Uniforms	4,174	6,298	6,000	298
Protective clothing	15,112	17,338	17,000	338
Miscellaneous	428	12	0	12
Computer equip. & software	1,156	4,849	4,000	849
Total fire department	323,912	350,705	325,900	24,805
Municipal court				
Full time salaries	40,547	42,397	42,100	297
Part time help	32,664	33,203	33,000	203
Overtime	72	0	0	0
Legal services	79,268	77,932	86,000	(8,068)
Training, travel and dues	390	975	1,000	(25)
Prisoner care	25,426	23,405	25,000	(1,595)
Other contract	16,132	17,771	18,500	(729)
Office supplies	529	740	1,500	(760)
Non Sufficient Funds	184	89	400	(311)
Postage	750	750	750	0
Operational supplies	208	231	1,000	(769)
Refunds	0	244	0	244
Office Equip - Furniture	665	476	500	(24)
Computer equip. & software	396	1,470	1,000	470
Transfer- Police Bond	12,116	0	8,200	(8,200)
Total municipal court	209,347	199,683	218,950	(19,267)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

Expenditures - continued	2019			
	2018 Actual	Actual	Budget	Variance Over (Under)
Street department				
Full time salaries	\$ 185,715	\$ 204,008	\$ 193,000	\$ 11,008
Part time help	0	0	7,500	(7,500)
Overtime	3,349	8,048	3,000	5,048
Telephone	2,823	2,426	2,400	26
Training, travel, dues	1,427	464	1,800	(1,336)
Advertising	386	135	500	(365)
Insurance	14,704	15,053	15,750	(697)
Lease payments	0	51,754	52,000	(246)
Utility charges	15,957	13,998	18,500	(4,502)
Other services	10,020	10,476	8,500	1,976
Tree care	6,401	4,875	6,000	(1,125)
General office supplies	189	116	600	(484)
Operational supplies	17,938	21,654	24,000	(2,346)
Vehicle maintenance	2,784	6,251	6,000	251
Snow/Ice Control	14,604	16,128	15,000	1,128
Equipment maintenance	24,669	27,471	28,000	(529)
Traffic	8,004	5,821	10,000	(4,179)
Building maintenance	2,843	2,277	3,500	(1,223)
Construction material	25,433	30,651	30,000	651
Motor fuel and lubrication	18,665	22,149	27,000	(4,851)
Uniforms	4,137	3,526	5,000	(1,474)
Miscellaneous supplies	50	160	300	(140)
Office equipment furniture	0	0	1,000	(1,000)
Computer equipment/ software	40	132	1,000	(868)
Motor vehicle/equipment	80	0	10,000	(10,000)
Miscellaneous capital items	75,783	90,000	90,000	0
Total street department	436,001	537,573	560,350	(22,777)
Park and recreation				
Full time salaries	163,096	170,339	169,000	1,339
Part time help	22,213	19,746	25,000	(5,254)
Overtime	2,954	4,233	1,000	3,233
Telephone	2,603	2,252	2,100	152
Training, travel and dues	1,996	341	1,000	(659)
Advertising	1,153	565	1,000	(435)
Insurance	6,309	6,890	6,600	290
Utility charges	38,205	33,394	40,000	(6,606)
Other services	21,339	26,179	25,000	1,179

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance
	2018			Over
Expenditures - continued	Actual	Actual	Budget	(Under)
Park and recreation - continued				
Tree care	\$ 6,401	\$ 5,510	\$ 6,000	\$ (490)
General office supplies	93	82	200	(118)
Operational supplies	10,754	13,960	13,000	960
Chemicals and fertilizer	4,173	5,409	5,000	409
Plant materials	1,785	2,668	4,000	(1,332)
Consumables	1,374	1,130	1,500	(370)
Vehicle maintenance	2,693	3,506	4,000	(494)
Equipment maintenance	7,889	7,290	8,000	(710)
Building maintenance	4,963	6,008	7,000	(992)
Construction material	1,576	2,911	3,000	(89)
Motor fuel and lubrication	15,564	14,834	15,000	(166)
Uniforms	1,084	839	1,800	(961)
Computer Equip/Software	40	324	750	(426)
Equipment/building & grounds	12,877	17,102	16,000	1,102
Refunds	0	136	0	136
Total park & recreation	331,134	345,648	355,950	(10,302)
Cemetery				
Full time salaries	54,373	59,530	59,000	530
Part time help	0	0	500	(500)
Overtime	3,210	4,362	3,000	1,362
Training, travel and dues	0	36	200	(164)
Advertising	80	80	0	80
Insurance	576	599	650	(51)
Other Contractual	1,611	1,926	1,800	126
Operational supplies	500	565	1,500	(935)
Vehicle maintenance	0	48	500	(452)
Equipment maintenance	1,232	1,015	1,000	15
Building maintenance	2,325	2,453	2,750	(297)
Construction materials	0	543	0	543
Motor fuel and lube	1,522	1,889	2,500	(611)
Uniforms	251	210	400	(190)
Computer Equip/Software	0	48	0	48
Refunds	411	250	0	250
Total cemetery	66,091	73,554	73,800	(246)

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2019			Variance Over (Under)
	2018 Actual	Actual	Budget	
Expenditures - continued				
Community development				
Full time salaries	\$ 151,848	\$ 156,930	\$ 171,500	\$ (14,570)
Part time help	0	1,140	16,000	(14,860)
Overtime	741	3,993	300	3,693
Professional services	3,454	3,145	7,000	(3,855)
Legal services	275	0	1,500	(1,500)
Telephone	4,169	3,451	4,200	(749)
Training, travel and dues	2,010	2,733	2,500	233
Legal printing	852	3,251	1,000	2,251
Advertising	0	65	0	65
Insurance	1,265	1,268	1,500	(232)
Other Contractual	5,971	4,404	9,000	(4,596)
General office supplies	2,968	1,239	3,500	(2,261)
Postage	0	0	800	(800)
Operational supplies	835	707	2,000	(1,293)
Vehicle maintenance	48	338	1,500	(1,162)
Motor fuel and lubrication	731	651	1,500	(849)
Uniforms	238	198	300	(102)
Miscellaneous	25	960	0	960
Computer equipment & software	3,295	3,295	4,000	(705)
Motor Vehicle/Equipment	28	0	150	(150)
Refunds	336	200	1,000	(800)
Total community development	179,089	187,968	229,250	(41,282)
Economic Development				
Other Contractual	0	6,970	0	6,970
Miscellaneous	675	5,056	5,000	56
Total economic development	675	12,026	5,000	7,026
Operating transfers	524,800	536,400	528,200	8,200
Appropriated reserve	0	0	481,470	(481,470)
Total expenditures and transfers subject to budget	3,993,616	4,196,300	\$ 4,814,125	\$ (617,825)
Receipts over (under) expenditures	69,723	977		
Unencumbered cash, January 1	694,513	764,236		
Unencumbered cash, December 31	\$ 764,236	\$ 765,213		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
LIBRARY FUND - 02
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance
	2018	Actual	Budget	Over
Cash receipts	Actual			(Under)
Taxes				
Ad valorem property tax	\$ 234,356	\$ 244,503	\$ 239,411	\$ 5,092
Back tax collections	4,047	2,371	2,500	(129)
Motor vehicle tax	27,682	28,841	28,032	809
Total taxes	266,085	275,715	269,943	5,772
Intergovernmental				
State aid and grants	31,894	26,544	24,000	2,544
Use of money and property				
Interest on investments	941	1,859	700	1,159
Fines and fees	3,333	2,612	3,000	(388)
Other				
Miscellaneous	4,014	4,333	4,000	333
Total cash receipts	306,267	311,063	\$ 301,643	\$ 9,420
Expenditures				
Regular salaries	95,456	101,623	\$ 96,934	\$ 4,689
Temporary help	41,188	40,732	52,767	(12,035)
Library pages	24,436	22,146	25,500	(3,354)
Overtime	527	583	550	33
Unemployment benefits	162	170	200	(30)
Telephone services	2,874	2,503	2,200	303
Training	2,020	686	1,500	(814)
Advertising	1,010	742	1,800	(1,058)
Insurance and bond premiums	6,574	6,744	7,500	(756)
Utility charges	11,239	10,465	14,000	(3,535)
Other services	13,478	15,370	12,300	3,070
Office supplies	1,467	1,694	1,900	(206)
Postage	287	387	500	(113)
Operation supplies	4,795	3,896	5,000	(1,104)
Building maintenance supplies	2,055	3,125	2,200	925
Cleaning supplies	689	731	700	31
Library media	20,513	20,459	20,000	459
Library materials	1,562	1,492	1,600	(108)
Children's programming	0	60	0	60
Computer equipment and software	5,145	5,748	5,250	498
Library books	7,881	7,719	8,000	(281)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
LIBRARY FUND - 02
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Expenditures - continued				
Refunds	\$ 52	\$ 128	\$ 100	\$ 28
Special Grants	72	0	0	0
Total expenditures	243,482	247,203	260,501	(13,298)
Operating transfers	50,000	55,000	55,000	0
Appropriated reserve	0	0	31,978	(31,978)
Total expenditures and transfers subject to budget	293,482	302,203	\$ 347,479	\$ (45,276)
Receipts over (under) expenditures	12,785	8,860		
Unencumbered cash, January 1	43,065	55,850		
Unencumbered cash, December 31	\$ 55,850	\$ 64,710		

City of Paola, Kansas

Schedule 2c

SPECIAL PURPOSE FUNDS
EMPLOYEE BENEFIT FUND - 05
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance
	2018	Actual	Budget	Over
Cash receipts	Actual			(Under)
Taxes				
Ad valorem property tax	\$ 285,134	\$ 297,514	\$ 291,306	\$ 6,208
Back tax collections	5,115	2,968	4,000	(1,032)
Motor vehicle tax	34,956	35,066	34,103	963
Total taxes	325,205	335,548	329,409	6,139
Use of money and property				
Interest on investments	6,184	11,113	5,000	6,113
Other				
Reimbursements	55,052	62,574	60,000	2,574
Operating transfers	801,300	859,700	859,700	0
Total cash receipts	1,187,741	1,268,935	\$ 1,254,109	\$ 14,826
Expenditures				
Final Benefits Payout	12,325	47,441	\$ 180,000	\$ (132,559)
HRA	20,642	21,817	40,000	(18,183)
Health Premiums	481,311	403,000	550,000	(147,000)
Cobra Insurance Premiums	15,087	9,217	20,000	(10,783)
Worker's compensation	62,973	59,882	75,000	(15,118)
FICA employer's contributions	226,565	237,769	284,000	(46,231)
KPERS employer's contributions	347,335	387,774	380,000	7,774
Section 125 payments	34,601	33,720	36,000	(2,280)
Unemployment	2,970	10,398	6,000	4,398
Training, travel, dues	729	189	1,000	(811)
Insurance	5,497	5,490	6,000	(510)
Employee assistance	10,403	9,683	10,000	(317)
Other contractual	1,559	13,141	1,500	11,641
Miscellaneous	1,832	2,767	2,750	17
Employee development	17,362	27,908	25,000	2,908
Total expenditures	1,241,191	1,270,196	1,617,250	(347,054)
Appropriated reserve	0	0	300,735	(300,735)
Total expenditures subject to budget	1,241,191	1,270,196	\$ 1,917,985	\$ (647,789)
Receipts over (under) expenditures	(53,450)	(1,261)		
Unencumbered cash, January 1	758,211	704,761		
Unencumbered cash, December 31	\$ 704,761	\$ 703,500		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER FUND - 07
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018	Actual	Budget	Variance Over (Under)
Cash receipts	Actual	Actual	Budget	(Under)
Taxes				
Sales Tax	\$ 1,277	\$ 1,255	\$ 1,500	\$ (245)
Charges for services				
Season passes	16,285	12,375	18,000	(5,625)
Gate receipts	22,821	22,040	28,000	(5,960)
Coupon books	4,980	4,307	5,000	(693)
Concessions	13,808	13,562	17,000	(3,438)
Lessons	8,475	7,719	6,500	1,219
Total charges for services	66,369	60,003	74,500	(14,497)
Use of money and property				
Rentals	4,200	2,800	4,000	(1,200)
Interest on investments	780	1,053	1,000	53
Total use of money & property	4,980	3,853	5,000	(1,147)
Other				
Reimbursed expenses	230	638	0	638
Operating transfers	150,000	175,000	175,000	0
Total cash receipts	222,856	240,749	\$ 256,000	\$ (15,251)
Expenditures				
Regular Salaries	75,286	76,621	\$ 62,000	\$ 14,621
Temporary help	68,356	61,259	84,000	(22,741)
Overtime	5,783	6,214	5,000	1,214
Other personal services	840	837	900	(63)
Telephone	1,437	1,251	1,000	251
Training, travel, dues	0	1,850	2,000	(150)
Advertising	3,261	2,014	2,000	14
Insurance	5,327	5,040	6,000	(960)
Utilities	13,174	11,778	15,000	(3,222)
Other contractual	2,420	2,336	3,000	(664)
General supplies	6	207	200	7
Operational supplies	16,608	9,755	13,000	(3,245)
Equipment maintenance	0	155	1,000	(845)
Building & maintenance	12,131	5,899	7,500	(1,601)
Cleaning	52	21	200	(179)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER FUND - 07
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
Uniforms	\$ 2,087	\$ 2,296	\$ 2,500	\$ (204)
Concession supplies	9,016	8,529	13,000	(4,471)
Equipment and plant	13,251	752	10,000	(9,248)
Refunds	33	331	0	331
Sales tax	594	1,346	1,500	(154)
Total expenditures	<u>229,662</u>	<u>198,491</u>	<u>229,800</u>	<u>(31,309)</u>
Operating transfers	<u>46,500</u>	<u>45,000</u>	<u>46,500</u>	<u>(1,500)</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>30,073</u>	<u>(30,073)</u>
Total expenditures and transfers subject to budget	<u>276,162</u>	<u>243,491</u>	<u>\$ 306,373</u>	<u>\$ (62,882)</u>
Receipts over (under) expenditures	(53,306)	(2,742)		
Unencumbered cash, January 1	<u>101,480</u>	<u>48,174</u>		
Unencumbered cash, December 31	<u>\$ 48,174</u>	<u>\$ 45,432</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2e

SPECIAL PURPOSE FUNDS
COMMUNITY CENTER - 08
SCHEDULE RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance Over (Under)
	2018 Actual	Actual	Budget	
Cash receipts				
Charges for services				
Rentals	\$ 22,983	\$ 22,632	\$ 24,000	\$ (1,368)
Concessions	767	399	1,100	(701)
Ticket sales	3,963	2,492	6,000	(3,508)
Program and events	750	1,350	3,000	(1,650)
Memberships	0	0	1,000	(1,000)
Total charges for services	<u>28,463</u>	<u>26,873</u>	<u>35,100</u>	<u>(8,227)</u>
Intergovernmental				
Grants	<u>150</u>	<u>0</u>	<u>4,000</u>	<u>(4,000)</u>
Use of money and property				
Interest on investments	<u>322</u>	<u>442</u>	<u>350</u>	<u>92</u>
Fees				
Fees	<u>1,360</u>	<u>2,720</u>	<u>3,400</u>	<u>(680)</u>
Other				
Donations	0	0	100	(100)
Miscellaneous	0	658	0	658
Sales Tax	<u>355</u>	<u>142</u>	<u>300</u>	<u>(158)</u>
Total other	<u>355</u>	<u>800</u>	<u>400</u>	<u>400</u>
Operating transfers	<u>83,000</u>	<u>83,000</u>	<u>83,000</u>	<u>0</u>
Total cash receipts	<u>113,650</u>	<u>113,835</u>	<u>\$ 126,250</u>	<u>\$ (12,415)</u>
Expenditures				
Full time salaries	54,413	56,351	\$ 55,000	\$ 1,351
Part time help	4,713	4,337	5,800	(1,463)
Overtime	161	73	0	73
Legal Services	0	80	0	80
Telephone	2,806	2,400	2,100	300
Training and travel	100	548	1,000	(452)
Advertising	1,065	1,479	1,300	179
Insurance	9,256	9,505	10,200	(695)
Lease Payments	5,041	5,041	5,041	0
Utilities	16,020	13,728	15,000	(1,272)
Other contractual	3,856	2,366	4,000	(1,634)
Event and program costs	3,465	2,316	6,500	(4,184)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2e

SPECIAL REVENUE FUNDS
COMMUNITY CENTER - 08
SCHEDULE RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018			Variance
	Actual	Actual	Budget	Over
				(Under)
Expenditures - continued				
General office supplies	\$ 202	\$ 41	\$ 300	\$ (259)
Postage	0	0	800	(800)
Gifts/memorials	0	50	90	(40)
Operating supplies	2,029	1,725	2,500	(775)
Building maintenance	5,140	5,263	5,000	263
Cleaning supplies	726	543	1,200	(657)
Concession supplies	340	265	600	(335)
Office Equip. Furniture	0	0	300	(300)
Miscellaneous	56	554	150	404
Computer equipment and software	0	109	500	(391)
Sales tax	106	123	300	(177)
Real Estate taxes	551	533	1,500	(967)
Summer programs part time help	726	1,584	1,400	184
Advertising	0	531	1,000	(469)
Operational supplies	567	1,043	1,000	43
Refunds	0	218	0	218
	<u>111,339</u>	<u>110,806</u>	<u>122,581</u>	<u>(11,775)</u>
Operating transfers	<u>13,000</u>	<u>14,300</u>	<u>14,300</u>	<u>0</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>22,458</u>	<u>(22,458)</u>
Total expenditures and transfers subject to budget	<u>124,339</u>	<u>125,106</u>	<u>\$ 159,339</u>	<u>\$ (34,233)</u>
Receipts over (under) expenditures	(10,689)	(11,271)		
Unencumbered cash, January 1	<u>46,136</u>	<u>35,447</u>		
Unencumbered cash, December 31	\$ <u>35,447</u>	\$ <u>24,176</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2f

SPECIAL PURPOSE FUNDS
STORM WATER MANAGEMENT - 12
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash receipts				
Charges for services				
Storm water management fees	\$ 84,516	\$ 85,203	\$ 85,000	\$ 203
Use of money and property				
Interest on investments	907	1,907	450	1,457
Total cash receipts	85,423	87,110	85,450	1,660
Expenditures				
Full time salaries	24,640	4,298	34,500	(30,202)
Overtime	239	274	1,000	(726)
Professional Services	5,975	26,238	0	26,238
Other contractual	2,500	2,500	3,000	(500)
Construction materials	2,811	3,124	9,000	(5,876)
Lease payments	5,200	5,200	5,200	0
Equipment/plant	2,189	0	2,500	(2,500)
Storm water construction	1,016	25,981	30,000	(4,019)
Total expenditures	44,570	67,615	85,200	(17,585)
Operating transfers	11,000	11,000	11,000	0
Appropriated reserve	0	0	104,990	(104,990)
Total expenditures and transfers subject to budget	55,570	78,615	201,190	(122,575)
Receipts over (under) expenditures	29,853	8,495		
Unencumbered cash, January 1	98,689	128,542		
Unencumbered cash, December 31	\$ 128,542	\$ 137,037		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2g

SPECIAL PURPOSE FUNDS
SPECIAL PARK AND RECREATION FUND - 14
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Intergovernmental				
Local liquor tax	\$ 14,277	\$ 16,496	\$ 15,223	\$ 1,273
Reimbursed Expense	700	0	0	0
Use of money and property				
Interest on investment	436	761	300	461
Total cash receipts	15,413	17,257	\$ 15,523	\$ 1,734
Expenditures				
Other services	1,435	1,409	\$ 3,500	\$ (2,091)
Equip/Bldg. & Grounds	15,346	15,545	16,000	(455)
Construction materials	2,000	0	3,500	(3,500)
Total expenditures	18,781	16,954	23,000	(6,046)
Appropriated reserve	0	0	47,821	(47,821)
Total expenditures subject to budget	18,781	16,954	\$ 70,821	\$ (53,867)
Receipts over (under) expenditures	(3,368)	303		
Unencumbered cash, January 1	62,243	58,875		
Unencumbered cash, December 31	\$ 58,875	\$ 59,178		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2h

SPECIAL PURPOSE FUNDS
STREET REPAIR - SPECIAL HIGHWAY FUND - 17
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Cash receipts				
Taxes				
Gas tax	\$ 151,670	\$ 154,103	\$ 150,960	\$ 3,143
Use of money and property				
Interest on investments	527	1,278	400	878
Total cash receipts	152,197	155,381	\$ 151,360	\$ 4,021
Expenditures				
Full time salaries	13,680	6,349	\$ 22,000	\$ (15,651)
Overtime	0	72	250	(178)
Other contractual	0	0	2,000	(2,000)
Construction material	135,868	123,920	130,000	(6,080)
Total expenditures	149,548	130,341	154,250	(23,909)
Operating transfers	3,000	5,000	3,500	1,500
Appropriated reserve	0	0	49,347	(49,347)
Total expenditures subject to budget	152,548	135,341	\$ 207,097	\$ (71,756)
Receipts over (under) expenditures	(351)	20,040		
Unencumbered cash, January 1	53,926	53,575		
Unencumbered cash, December 31	\$ 53,575	\$ 73,615		

City of Paola, Kansas

Schedule 2i

SPECIAL PURPOSE FUNDS
SPECIAL LAW ENFORCEMENT ACCOUNT - 18
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investment	\$ 47	\$ 89
Other		
Miscellaneous	<u>0</u>	<u>1,062</u>
Total cash receipts	<u>47</u>	<u>1,151</u>
Expenditures		
Miscellaneous	<u>1,000</u>	<u>1,000</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>
Receipts over (under) expenditures	(953)	151
Unencumbered cash, January 1	<u>6,644</u>	<u>5,691</u>
Unencumbered cash, December 31	\$ <u><u>5,691</u></u>	\$ <u><u>5,842</u></u>

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2j

SPECIAL PURPOSE FUNDS
TRANSIENT GUEST TAX - 20
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
Cash receipts	Actual			(Under)
Taxes				
Transient guest tax	\$ 35,025	\$ 41,302	\$ 36,000	\$ 5,302
Use of money and property				
Interest on investment	522	1,060	375	685
Total cash receipts	35,547	42,362	\$ 36,375	\$ 5,987
Expenditures				
Other contractual	0	5,204	\$ 5,552	\$ (348)
Economic Development Chamber	10,000	10,000	15,000	(5,000)
Promotional campaigns	29,420	25,500	30,000	(4,500)
Total expenditures	39,420	40,704	50,552	(9,848)
Appropriated reserve	0	0	40,000	(40,000)
Total expenditures and transfers subject to budget	39,420	40,704	\$ 90,552	\$ (49,848)
Receipts over (under) expenditures	(3,873)	1,658		
Unencumbered cash, January 1	75,302	71,429		
Unencumbered cash, December 31	\$ 71,429	\$ 73,087		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2k

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER EQUIPMENT RESERVE - 23
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018 Actual</u>	<u>2019 Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 3,281	\$ 3,946
Total cash receipts	<u>3,281</u>	<u>3,946</u>
Expenditures		
Operating transfers	<u>150,000</u>	<u>175,000</u>
Total expenditures and transfers	<u>150,000</u>	<u>175,000</u>
Receipts over (under) expenditures	(146,719)	(171,054)
Unencumbered cash, January 1	<u>505,392</u>	<u>358,673</u>
Unencumbered cash, December 31	\$ <u><u>358,673</u></u>	\$ <u><u>187,619</u></u>

City of Paola, Kansas

Schedule 21

SPECIAL PURPOSE FUNDS

ESCROW FUND - 46

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Cash receipts		
Interest Income	\$ 81	\$ 0
Escrow receipts	<u>22,630</u>	<u>0</u>
Total cash receipts	<u>22,711</u>	<u>0</u>
Expenditures		
Interest Income	435	0
Non Sufficient Funds Checks	250	0
Escrow disbursements	<u>32,418</u>	<u>0</u>
Total expenditures	<u>33,103</u>	<u>0</u>
Receipts over (under) expenditures	(10,392)	0
Unencumbered cash, January 1	<u>13,638</u>	<u>3,246</u>
Unencumbered cash, December 31	\$ <u><u>3,246</u></u>	\$ <u><u>3,246</u></u>

See Independent Auditor's Report.

City of Paola, Kansas**Schedule 2m**

SPECIAL PURPOSE FUNDS
MENNENOAH CEMETERY - 47
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Reimbursed Expense	\$ 3,750	\$ 0
Interest on investment	<u>303</u>	<u>84</u>
Total cash receipts	<u>4,053</u>	<u>84</u>
Expenditures		
Capital Improvements	32,455	5,571
Other Contractual	<u>5,653</u>	<u>0</u>
Total expenditures	<u>38,108</u>	<u>5,571</u>
Receipts over (under) expenditures	(34,055)	(5,487)
Unencumbered cash, January 1	<u>43,283</u>	<u>9,228</u>
Unencumbered cash, December 31	\$ <u><u>9,228</u></u>	\$ <u><u>3,741</u></u>

City of Paola, Kansas**Schedule 2n**

SPECIAL PURPOSE FUNDS
SPECIAL GRANTS FUND - 70
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Cash receipts		
Intergovernmental		
Grants	\$ 54,014	\$ 52,577
 Use of money and property		
Donations and Gifts	<u>3,000</u>	<u>1,500</u>
 Total cash receipts	<u>57,014</u>	<u>54,077</u>
 Expenditures		
Contractual, materials and equipment	<u>63,849</u>	<u>45,966</u>
 Total expenditures	<u>63,849</u>	<u>45,966</u>
 Receipts over (under) expenditures	(6,835)	8,111
 Unencumbered cash, January 1	<u>29,485</u>	<u>22,650</u>
 Unencumbered cash, December 31	\$ <u><u>22,650</u></u>	\$ <u><u>30,761</u></u>

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2o

SPECIAL PURPOSE FUNDS
DRUG ENFORCEMENT ACCOUNT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Cash receipts		
Other		
Reimbursement	\$ 1,000	\$ 1,727
Expenditures		
Other services	<u>2,277</u>	<u>180</u>
Receipts over (under) expenditures	(1,277)	1,547
Unencumbered cash, January 1	<u>1,513</u>	<u>236</u>
Unencumbered cash, December 31	\$ <u><u>236</u></u>	\$ <u><u>1,783</u></u>

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2p

DEBT SERVICE FUND
BOND & INTEREST - 06
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2019			Variance Over (Under)
	2018 Actual	Actual	Budget	
Cash receipts				
Taxes				
Ad valorem property tax	\$ 335,997	\$ 332,937	\$ 326,000	\$ 6,937
Back tax collections	5,955	3,432	3,000	432
Motor vehicle tax	41,191	41,356	40,189	1,167
Special assessments	15,820	54,857	8,000	46,857
Total taxes	398,963	432,582	377,189	55,393
Use of money and property				
Interest on investments	8,095	17,909	6,000	11,909
Total use of money and property	8,095	17,909	6,000	11,909
Operating transfers	1,348,218	1,014,911	1,014,911	0
Total cash receipts	1,755,276	1,465,402	\$ 1,398,100	\$ 67,302
Expenditures				
Bond principal	1,360,000	1,130,000	\$ 1,130,000	\$ 0
Interest expense	300,067	266,761	261,886	4,875
Other reserves	0	0	496,098	(496,098)
Total expenditures and transfers subject to budget	1,660,067	1,396,761	\$ 1,887,984	\$ (491,223)
Receipts over (under) expenditures	95,209	68,641		
Unencumbered cash, January 1	413,050	508,259		
Unencumbered cash, December 31	\$ 508,259	\$ 576,900		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

CAPITAL PROJECTS FUNDS
WASTE WATER TREATMENT PLANT CONSTRUCTION - 31
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2018	2019
	Actual	Actual
Cash receipts		
Use of money and property		
Interest on investments	\$ 5,887	\$ 10,817
Expenditures		
Equipment/Plant	19,497	57,595
Receipts over (under) expenditures	(13,610)	(46,778)
Unencumbered cash, January 1	767,435	753,825
Unencumbered cash, December 31	\$ 753,825	\$ 707,047

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2r

CAPITAL PROJECTS FUNDS
EQUIPMENT REPLACEMENT - 80
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2018	2019
	<u>Actual</u>	<u>Actual</u>
Cash receipts		
Intergovernmental		
Grants	\$ 0	\$ 7,726
Other		
Sale of Surplus Equipment	46,650	0
Reimbursed Expenses	2,460	169,983
Miscellaneous	<u>1,511</u>	<u>392</u>
Total other	<u>50,621</u>	<u>170,375</u>
Operating Transfers	<u>45,000</u>	<u>30,000</u>
Total cash receipts	<u>95,621</u>	<u>208,101</u>
Expenditures		
Miscellaneous	447	16,752
Equipment/plant	142,638	29,237
Equipment/plant	0	9,488
Equipment/plant	10,000	7,726
Motor vehicle	<u>675</u>	<u>161,039</u>
Total expenditures	<u>153,760</u>	<u>224,242</u>
Receipts over (under) expenditures	(58,139)	(16,141)
Unencumbered cash, January 1	<u>130,147</u>	<u>72,008</u>
Unencumbered cash, December 31	\$ <u><u>72,008</u></u>	\$ <u><u>55,867</u></u>

City of Paola, Kansas

Schedule 2s

CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS - 90
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2018	2019
	Actual	Actual
Cash receipts		
Taxes and shared revenues		
City sales tax	\$ 1,200,910	\$ 1,208,594
Other		
Interest	4,573	8,949
Miscellaneous	48,859	4,100
Reimbursements	24,966	23,676
Grants	49,708	57,392
Donations and gifts	7,678	22,841
Total other	135,784	116,958
Operating transfers	21,000	31,000
Total cash receipts	1,357,694	1,356,552
Expenditures		
Construction materials	290,930	188,268
Other contractual	63,583	212,805
Capital items	9,808	26,568
Motor Vehicle/Equipment	97,557	178,117
Equip/Bldg. & Grounds	8,165	3,512
Professional Services	4,200	9,794
Other	17,834	123,205
Total expenditures	492,077	742,269
Operating transfers	917,560	581,254
Total expenditures and transfers	1,409,637	1,323,523
Receipts over (under) expenditures	(51,943)	33,029
Unencumbered cash, January 1	876,930	824,987
Unencumbered cash, December 31	\$ 824,987	\$ 858,016

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2t

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Charges for services				
Sale of water	\$ 1,872,049	\$ 1,730,172	\$ 2,100,000	\$ (369,828)
Water for resale	44,851	51,818	49,000	2,818
Sales tax	29,108	26,810	46,000	(19,190)
Tank sales	7,602	5,550	8,200	(2,650)
Installation charges	21,500	12,150	25,000	(12,850)
Connection fees	7,260	8,111	8,000	111
Total charges for services	1,982,370	1,834,611	2,236,200	(401,589)
Use of money and property				
Interest on investments	1,408	1,934	1,500	434
Total use of money and property	1,408	1,934	1,500	434
Other				
Reimbursed expenses	78,166	67,280	80,000	(12,720)
KS setoff reimbursement	5,969	6,421	7,000	(579)
Miscellaneous	350	350	350	0
Long/short	1	(11)	0	(11)
	84,486	74,040	87,350	(13,310)
Total cash receipts	2,068,264	1,910,585	\$ 2,325,050	\$ (414,465)
Expenditures				
Administration				
Full time salaries	68,580	65,239	\$ 79,000	\$ (13,761)
Overtime	102	0	100	(100)
Other personal services	2,516	2,509	2,500	9
Professional services	0	275	0	275
Insurance and bonds	10,102	9,655	11,500	(1,845)
Other contractual	4,848	5,118	5,000	118
General office supplies	686	391	700	(309)
Postage	4,396	5,075	5,000	75
Operational supplies	933	38	1,000	(962)
Miscellaneous	0	0	0	0
Refunds	0	1,711	0	1,711
Sales tax remittance	40,618	37,687	46,000	(8,313)
Total administration	132,781	127,698	150,800	(23,102)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2t

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

Expenditures - continued	2019			
	2018			Variance
	Actual	Actual	Budget	Over (Under)
Production				
Full time salaries	\$ 60,979	\$ 62,654	\$ 60,000	\$ 2,654
Overtime	624	365	500	(135)
Telephone services	468	324	500	(176)
Training, travel, dues	103	226	200	26
Utilities	6,013	4,543	7,200	(2,657)
Other contractual	0	0	1,000	(1,000)
Water purchase	1,585,480	1,339,844	1,780,000	(440,156)
Motor fuel and lubrication	215	227	300	(73)
Uniforms	220	183	300	(117)
Total production	1,654,102	1,408,366	1,850,000	(441,634)
Distribution				
Full time salaries	34,040	26,273	45,000	(18,727)
Overtime	1,154	1,065	750	315
Tank maintenance	9,292	9,293	9,300	(7)
Telephone services	2,864	2,519	3,000	(481)
Training, travel, dues	1,406	2,086	2,000	86
Advertising	410	487	0	487
Lease Payments	14,274	14,253	14,274	(21)
Utilities	1,479	1,440	2,100	(660)
Testing analytical	2,264	2,712	3,000	(288)
Other contractual	10,422	13,921	8,500	5,421
General office supplies	87	139	350	(211)
Postage	510	404	600	(196)
Operational supplies	25,541	24,961	33,500	(8,539)
Vehicle maintenance	996	1,916	2,000	(84)
Equipment maintenance	6,037	2,400	4,000	(1,600)
Building and maintenance	2,503	1,877	2,500	(623)
Construction materials	19,091	29,874	24,000	5,874
Motor fuel and lubrication	11,871	7,237	10,000	(2,763)
Uniforms	1,070	595	1,500	(905)
Office equip. furniture	0	110	0	110
Computer equipment and software	158	1,591	5,000	(3,409)
Mains and meters	81,401	81,015	100,000	(18,985)
Total distribution	226,870	226,168	271,374	(45,206)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2t

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Expenditures - continued				
Operating transfers	\$ <u>116,000</u>	\$ <u>124,000</u>	\$ <u>124,000</u>	\$ <u>0</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>191,454</u>	<u>(191,454)</u>
Total expenditures and transfers subject to budget	<u>2,129,753</u>	<u>1,886,232</u>	\$ <u>2,587,628</u>	\$ <u>(701,396)</u>
Receipts over (under) expenditures	(61,489)	24,353		
Unencumbered cash, January 1	<u>213,211</u>	<u>151,722</u>		
Unencumbered cash, December 31	\$ <u><u>151,722</u></u>	\$ <u><u>176,075</u></u>		

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
WATER TREATMENT PLANT FUND - 15
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
Cash receipts	Actual			(Under)
Use of money and property				
Interest	\$ 2,104	\$ 3,994	\$ 1,250	\$ 2,744
Total cash receipts	2,104	3,994	<u>1,250</u>	<u>2,744</u>
Expenditures				
Capital improvements	0	0	\$ 274,624	\$ (274,624)
Total expenditures and transfers subject to budget	0	0	<u>274,624</u>	<u>(274,624)</u>
Receipts over (under) expenditures	2,104	3,994		
Unencumbered cash, January 1	<u>272,123</u>	<u>274,227</u>		
Unencumbered cash, December 31	\$ <u>274,227</u>	\$ <u>278,221</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
SEWER SERVICE FUND - 04
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Charges for services				
Inspection charges	\$ 1,100	\$ 630	\$ 2,000	\$ (1,370)
Sewer lagoon dumping	13,347	16,455	15,000	1,455
Sewer service charges	<u>766,502</u>	<u>771,011</u>	<u>775,000</u>	<u>(3,989)</u>
Total charges for services	<u>780,949</u>	<u>788,096</u>	<u>792,000</u>	<u>(3,904)</u>
Use of money and property				
Interest on investments	<u>1,909</u>	<u>3,222</u>	<u>1,800</u>	<u>1,422</u>
Other				
Reimbursed expenses	<u>8,816</u>	<u>9,108</u>	<u>5,000</u>	<u>4,108</u>
Total cash receipts	<u>791,674</u>	<u>800,426</u>	<u>\$ 798,800</u>	<u>\$ 1,626</u>
Expenditures				
Administration				
Full time salaries	105,816	126,335	\$ 120,750	\$ 5,585
Overtime	153	0	120	(120)
Other personal services	2,516	2,509	2,500	9
Training, Travel, Dues	0	0	800	(800)
Insurance	25,329	25,070	28,000	(2,930)
Other contractual	4,531	4,645	4,600	45
General office supplies	687	391	500	(109)
Postage	4,396	5,075	4,500	575
Refunds	<u>0</u>	<u>20</u>	<u>0</u>	<u>20</u>
Total administration	<u>143,428</u>	<u>164,045</u>	<u>161,770</u>	<u>2,275</u>
Production				
Full time salaries	43,829	41,472	52,500	(11,028)
Overtime	1,283	1,024	1,500	(476)
Telephone services	1,157	1,147	1,300	(153)
Training, travel, dues	205	486	1,250	(764)
Utilities	92,397	94,950	90,000	4,950
Testing and analytical	4,798	4,946	8,000	(3,054)
Other contractual	2,378	4,372	6,200	(1,828)
Postage	11	12	0	12
General office supplies	144	82	200	(118)

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
SEWER SERVICE FUND - 04
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		Variance Over (Under)
	2018 Actual	Actual	Budget	
Expenditures - continued				
Production - continued				
Operational supplies	\$ 10,436	\$ 8,677	\$ 15,000	\$ (6,323)
Vehicle maintenance	11	4	500	(496)
Equipment maintenance	1,195	1,296	1,500	(204)
Building maintenance	823	1,707	1,800	(93)
Motor fuel and lubricants	1,519	978	2,900	(1,922)
Uniforms	411	240	500	(260)
Office equip. furniture	0	150	0	150
Computer Equipment and Software	1,075	1,291	5,000	(3,709)
Equipment, Plant	7,486	7,071	7,500	(429)
Equipment, building and grounds	5,578	6,073	6,000	73
Total production	174,736	175,978	201,650	(25,672)
Distribution				
Full time salaries	165,446	161,437	167,000	(5,563)
Overtime	4,185	4,006	2,000	2,006
Telephone services	2,653	3,241	2,700	541
Training, travel, dues	158	644	1,000	(356)
Advertising	410	487	500	(13)
Lease Payments	50,000	50,000	52,167	(2,167)
Utilities	7,873	13,306	8,700	4,606
Other contractual	8,406	12,417	6,500	5,917
General office supplies	109	129	500	(371)
Operational supplies	7,679	8,687	10,000	(1,313)
Vehicle maintenance	1,035	96	1,500	(1,404)
Equipment maintenance	9,323	4,143	10,000	(5,857)
Building maintenance	2,813	3,110	3,500	(390)
Construction materials	4,615	4,913	4,500	413
Motor fuel and lubricants	6,828	7,640	11,000	(3,360)
Uniforms	662	415	900	(485)
Other Operational	2,000	0	0	0
Office equip. furniture	0	110	0	110
Computer equipment and software	40	213	250	(37)
Mains and meters	0	294	0	294
Equipment, building and grounds	8,208	5,459	7,500	(2,041)
Distribution lines	46,069	41,465	40,000	1,465
Total distribution	328,512	322,212	330,217	(8,005)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
SEWER SERVICE FUND - 04
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Expenditures - continued				
Operating transfers	\$ <u>168,000</u>	\$ <u>189,500</u>	\$ <u>189,500</u>	\$ <u>0</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>161,627</u>	<u>(161,627)</u>
Total expenditures and transfers subject to budget	<u>814,676</u>	<u>851,735</u>	\$ <u>1,044,764</u>	\$ <u>(193,029)</u>
Receipts over (under) expenditures	(23,002)	(51,309)		
Unencumbered cash, January 1	<u>283,261</u>	<u>260,259</u>		
Unencumbered cash, December 31	\$ <u>260,259</u>	\$ <u>208,950</u>		

City of Paola, Kansas

Schedule 2w

BUSINESS FUNDS
SEWER LINE REPLACEMENT - 11
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
Cash receipts	Actual			(Under)
Use of money and property				
Interest on investments	\$ 1,502	\$ 2,953	\$ 1,000	\$ 1,953
Operating transfers	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
Total cash receipts	<u>8,502</u>	<u>9,953</u>	<u>\$ 8,000</u>	<u>\$ 1,953</u>
Expenditures				
Equipment/plant	<u>0</u>	<u>0</u>	<u>\$ 207,420</u>	<u>\$ (207,420)</u>
Receipts over (under) expenditures	8,502	9,953		
Unencumbered cash, January 1	<u>191,420</u>	<u>199,922</u>		
Unencumbered cash, December 31	<u>\$ 199,922</u>	<u>\$ 209,875</u>		

City of Paola, Kansas

Schedule 2x

BUSINESS FUNDS
WASTEWATER TREATMENT PLANT - 16
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>2019</u>		<u>Variance</u>
	<u>2018</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash receipts				
Charges for services				
Connect & disconnect	\$ 22,850	\$ 14,175	\$ 30,000	\$ (15,825)
Sewer service charge	464,840	501,698	496,800	4,898
Total charges for services	487,690	515,873	526,800	(10,927)
Use of money and property				
Interest income	1,875	2,954	2,000	954
Total cash receipts	489,565	518,827	\$ 528,800	\$ (9,973)
Expenditures				
Full time salaries	79,950	102,784	\$ 78,500	\$ 24,284
Overtime	5,748	5,681	4,000	1,681
Other contractual	4,925	9,000	10,000	(1,000)
Motor Fuel & Lube	0	0	2,000	(2,000)
Operational supplies	1,800	0	5,000	(5,000)
Miscellaneous	4,000	0	10,000	(10,000)
Computer Equip/Software	0	0	17,000	(17,000)
Equipment/plant	3,993	10,686	25,000	(14,314)
Total expenditures	100,416	128,151	151,500	(23,349)
Operating transfer	450,657	458,657	458,657	0
Appropriated reserve	0	0	112,076	(112,076)
Total expenditures and transfers subject to budget	551,073	586,808	\$ 722,233	\$ (135,425)
Receipts over (under) expenditures	(61,508)	(67,981)		
Unencumbered cash, January 1	251,591	190,083		
Unencumbered cash, December 31	\$ 190,083	\$ 122,102		

City of Paola, Kansas

Schedule 2y

BUSINESS FUNDS
HEALTH AND SANITATION FUND - 13
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Charges for services				
Haulers' permits	\$ 1,350	\$ 3,000	\$ 750	\$ 2,250
Landfill charges and collections	<u>366,741</u>	<u>380,128</u>	<u>375,000</u>	<u>5,128</u>
Total charges for services	<u>368,091</u>	<u>383,128</u>	<u>375,750</u>	<u>7,378</u>
Use of money and property				
KS setoff reimbursement	95	149	300	(151)
Interest on investments	<u>254</u>	<u>507</u>	<u>400</u>	<u>107</u>
Total use of money & property	<u>349</u>	<u>656</u>	<u>700</u>	<u>(44)</u>
Fees	<u>240</u>	<u>255</u>	<u>200</u>	<u>55</u>
Total cash receipts	<u>368,680</u>	<u>384,039</u>	<u>\$ 376,650</u>	<u>\$ 7,540</u>
Expenditures				
Full time salaries	16,430	18,224	\$ 16,000	\$ 2,224
Overtime	51	0	0	0
Advertising	1,063	550	750	(200)
Insurance	1,128	1,140	1,250	(110)
Other contractual	343,496	356,849	355,000	1,849
General office supplies	687	363	500	(137)
Pay Stickers	<u>337</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>363,192</u>	<u>377,126</u>	<u>373,500</u>	<u>3,626</u>
Operating transfers	<u>5,000</u>	<u>5,500</u>	<u>5,500</u>	<u>0</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>26,389</u>	<u>(26,389)</u>
Total expenditures and transfers subject to budget	<u>368,192</u>	<u>382,626</u>	<u>\$ 405,389</u>	<u>\$ (22,763)</u>
Receipts over (under) expenditures	488	1,413		
Unencumbered cash, January 1	<u>29,643</u>	<u>30,131</u>		
Unencumbered cash, December 31	<u>\$ 30,131</u>	<u>\$ 31,544</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 3

AGENCY FUNDS
SCHEDULE OF RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2019

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Police bond	\$ 15,119	\$ 37,200	\$ 36,826	\$ 15,493
Payroll withholding	<u>7,884</u>	<u>496,271</u>	<u>496,321</u>	<u>7,834</u>
	\$ <u>23,003</u>	\$ <u>533,471</u>	\$ <u>533,147</u>	\$ <u>23,327</u>